REMARKS/ARGUMENTS

Applicants thank the Examiner for his attention to this application.

Applicants have amended the specification to make reference to certain copending applications that contain subject matter related to the subject matter in the present invention. copending applications and additional for the Examiner are being submitted via consideration by supplemental IDS. Applicants have amended FIG. 7 to correct for an obvious clerical error in the drawings. No new matter has Applicants respectfully request that the Examiner been added. approve the amended drawing for replacement in this application.

Claims 1-68 are pending. By this paper, Applicants have amended claim 18 to correct an informality and have amended independent claims 1, 30 and 57. The Examiner has provisionally rejected claims 1-56 under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 72-120 of copending application 09/690,083. The Examiner also provisionally rejected claims 57-68 under the has judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1-41 of copending application 09/690,083 and claims 1-40 of copending application 09/688,456. In response, Applicants are filing herewith a suitable terminal disclaimer, and respectfully request that the rejection be withdrawn.

The Examiner has rejected claims 1-68 under 35 U.S.C. §103(b) as being unpatentable over Whitehouse, U.S. Patent 6,005,945 ("Whitehouse") in view of Leon, U.S. Patent 6,424,954

("Leon"). Applicants submit that all of the pending claims in the application are patentable over the relied upon references, and respectfully request reexamination, reconsideration and allowance of this application.

As set forth on page 2 of the Background of the Invention, certain systems that were available at the time of filing of the present invention, require a special purpose hardware device, known as a Postal Security Device (PSD) (also referred to as a Secure Metering Device (SMD) that is generally located at a user's site. The PSD, in conjunction with the user's personal computer and printer, functions as the IBIP postage meter. A significant drawback of such hardware-based systems is that a new PSD must be locally provided to each new user, which involves significant cost. Furthermore, if the additional PSD breaks down, service calls must be made to the user location.

In light of the drawbacks in hardware-based postage metering systems, one aspect of the present invention includes a software-based system that does not require specialized hardware for each user. The software-based system meets the IBIP specifications for a PSD, using a centralized server-based implementation of PSDs utilizing one or more cryptographic modules located remotely from the users (i.e. do not require a specialized hardware metering device located at the user's site).

Independent claim 1 includes, among other limitations, "a cryptographic device remote from the plurality of user terminals and coupled to the computer network, wherein the cryptographic device includes a computer executable code for authenticating

one or more users and verifying that the authenticated user is authorized to assume a role." Claims 30 and 57 also contain the limitations set forth in those claims.

The claimed invention is not disclosed by Whitehouse, the primary reference cited by the Examiner focuses on a system for electronic distribution of postage including one or more secure As stated by the Examiner on page 4 of the central computers. Office action, "Whitehouse fails to teach a cryptographic device [that] includes a computer executable code for authenticating one or more users and verifying that the authenticated user is authorized to assume a role." Further, according to Whitehouse, "[a] key aspect of the system is that all secure processing required for generating postal indicia is performed at secure central computers not at end user computers, thereby removing the need for specialized secure computational equipment at end user sites." See Whitehouse, Abstract, col. 6, lines 21-30, FIG Accordingly, Whitehouse specifically teaches away from a localized postage metering system attached to the computer.

Leon, the secondary reference cited by the Examiner in support of the Section 103(a) rejection, is of the category of specialized hardware-based systems located at the user's site that are specifically distinguished in the Background section of the present application. Leon's system teaches a dedicated postage metering system (SMD) connected to the user's computer as an external hardware device or circuit card that is portable. The SMD couples to the personal computer via a communications link 122 that can be a serial link such as an RS-232 interface.

By carefully partitioning the various features of the metering system, Leon teaches that the SMD can be manufactured in a relatively small size and low cost unit. See Leon, col. 2, lines 29-40, col. 3, line 61- col. 4, line 20, FIGs. 1A and IB. In Leon's system, each SMD performs state functions. See Leon, cols. 9, 10. Accordingly, in Leon's system, depending on the number of users, there may be thousands of individual localized SMDs attached to each user's PC.

There is no motivation to combine the teachings οf Whitehouse and Leon to obtain the claimed inventions. Whitehouse and Leon specifically teach against the use of the other's system, the requisite motivation to combine is missing. Further, there are no teachings in either Whitehouse or Leon regarding how to take the individual features of Leon, that have been carefully and particularly partitioned to provide a low cost portable device and include those features in one or more Hindsight reconstruction based on secure central computers. Applicants' teachings may not be used to sustain a rejection under Section 103(a). Accordingly, Applicants request that the rejection of claims 1-68 be withdrawn.

Applicants have also added a limitation to independent claims 1, 30 and 57 that recite generally that the claimed cryptographic devices and methods include the performance of value management functions (e.g., processing of purchase of value from users) by the device itself. Such limitations are intended to distinguish from systems such as in Lewis, U.S. Patent 6,233,565 (disclosed in the Applicants' most recent Supplemental Information Disclosure Statement) in which a single

master PSD is responsible for all cash management functions with the third party seller of goods and/or services.

In view of the foregoing amendments and remarks, Applicants respectfully submit that this application is now in condition for allowance, and accordingly request early issuance of a Notice of Allowance.

Respectfully submitted,

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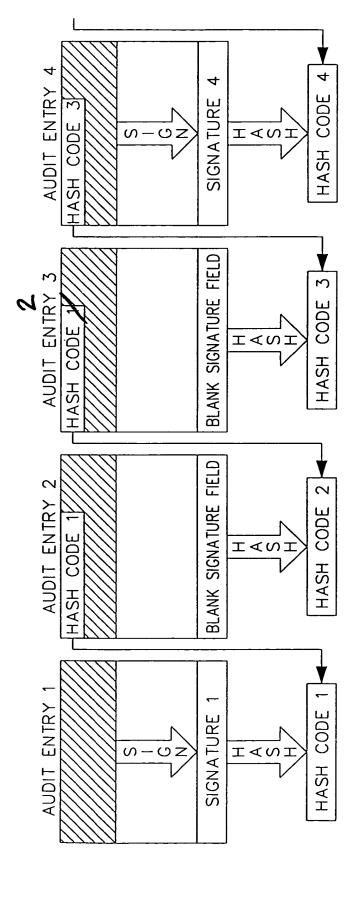


FIG. 7